

असाधारण

EXTRAORDINARY

भाग ॥-खण्ड 2

PART II—Section 2

प्राधिकार से प्रकाशित

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NEW DELHI, WEDNESDAY, MAY 27, 1998 / JYAISHTA 6, 1920

इस भाग में भिन्न पृष्ठ संख्या दी जाती हैं जिससे कि यह अलग संकलन के रूप में रखा जा सके। Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bill was introduced in Lok Sabha on 27th May, 1998.

BILL No. 37 of 1998

A Bill to regulate the lotteries and to provide for matters connected therewith and incidental thereto.

BE it enacted by Parliament in the Forty-ninth Year of the Republic of India as follows:—

1. (/) This Act may be called the Lotteries (Regulation) Act, 1998.

Short title, extent and commencement,

Definitions.

- (2) It extends to the whole of India.
- (3) It shall be deemed to have come into force on the 2nd day of October, 1997.
- 2. In this Act, unless there is anything repugnant in the subject or context,—
- (a) "lottery" means a scheme, in whatever form and by whatever name called, for distribution of prizes by lot or chance to those persons participating in the chances of a prize by purchasing tickets;
 - (b) "prescribed" means prescribed by rules made under this Act.
- 3. Save as otherwise provided in section 4, no State Government shall organise, conduct or promote any lottery.
- **4.** A State Government may organise, conduct or promote a lottery, subject to the following conditions, namely:—
 - (a) prizes shall not be offered on any pre-announced number or on the basis of a single digit;

Prolubition of

lotteries

Conditions subject to which lotteries may be organised, etc.

- (b) the State Government shall print the lottery tickets bearing the imprint and logo of the State in such manner that the authenticity of the lottery ticket is ensured;
- (c) the State Government shall sell the tickets either itself or through distributors or selling agents;
 - (d) the State Government itself shall conduct the draws of all the lotteries;
- (e) the prize money unclaimed within such time as may be prescribed by the State Government or not otherwise distributed, shall become the property of that Government;
 - (f) the place of draw shall be located within the State concerned;
 - (g) no lottery shall have more than one draw in a week;
- (h) the draws of all kinds of lotteries shall be conducted between such period of the day as may be prescribed by the State Government;
- (i) the number of bumper draws of a lottery shall not be more than six in a calender year;
 - (j) such other conditions as may be prescribed by the Central Government.

Prohibition of sale of ticket in a State.

5. A State Government may, within the State, prohibit the sale of tickets of a lottery organised, conducted or promoted by another State.

Prohibition of organisation, etc., of lottery

6. The Central Government may, by order published in the Official Gazette, prohibit a lottery organised, conducted or promoted in contravention of the provisions of section 4 or where tickets of such lottery are sold in contravention of the provisions of section 5.

Penalty.

7. If any person acts as an agent, promoter or trader in any lottery organised, conducted or promoted in contravention of the provisions of this Act or sells, distributes or purchases the ticket of such lottery, he shall be punishable with rigorous imprisonment for a term which may extend to two years or with fine or with both.

Offences to be cognizable and non-bailable.

8. The offence under this Act shall be cognizable and non-bailable.

Oftences by companies.

9. (1) Where an offence under this Act has been committed by a company, every person who at the time the offence was committed was incharge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

- (a) "company" means any body corporate and includes a firm or other association of individuals; and
 - (b) "director", in relation to a firm, means a partner in the firm.
- 10. The Central Government may give directions to the State Government as to carrying into execution in the State of any of the provisions of this Act or of any rule or order made thereunder.

Power to give directions.

11. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

Power of Central Government to make rules.

- (2) Every rule made by the Central Government shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.
- 12. (1) The State Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

Power of State Government to make rules.

- (2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—
 - (a) time to be fixed for claiming prize money under clause (e) of section 4;
 - (b) period to be fixed for draws of all lotteries under clause (h) of section 4; and
 - (c) any other matter which is required to be, or may be, prescribed.
- (3) Every rule made by the State Government under this section shall be laid, as soon as may be after it is made, before each House of the State Legislature where it consists of two Houses, or where such Legislature consists of one House, before that House.

Ord. 6 of 1998.

13. (1) The Lotteries (Regulation) Ordinance, 1998, is hereby repealed.

Repeal and

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of this Act.

STATEMENT OF OBJECTS AND REASONS

The conduct of certain types of lottery trade in the country, the malpractices thereof and their impact on the poorer sections of the society have been under scrutiny of the Government for quite some time. The continued prevalence of the popularly known single digit and instant lotteries and the temptation offered by them proved to be the undoing of many families, especially poor daily wagers and low income groups.

- 2. In spite of the guidelines issued by the Central Government over a period of time as also the guidelines issued in the recent past by the Honourable Supreme Court in the matter, the evil has not been totally eliminated and it is felt that a Central legislation to regulate the conduct of lotteries is necessary to protect the interest of the gullible poor.
- 3. Considering the exigencies of the matter and as the Parliament was not in session, an Ordinance, namely, the Lotteries (Regulation) Ordinance, 1997 (Ord. 20 of 1997) was promulgated by the President on the 1st day of October, 1997. In order to give continued effect to the provisions of the said Ordinance, the Lotteries (Regulation) Second Ordinance, 1997 (Ord. 31 of 1997) was promulgated by the President on the 30th day of December, 1997. As the Lotteries (Regulation) Second Ordinance, 1997 was going to lapse on the 5th day of May, 1998, the President promulgated on the 23rd day of April, 1998, the Lotteries (Regulation) Ordinance, 1998 (Ord. 6 of 1998).
 - 4. The Bill seeks to replace the Lotteries (Regulation) Ordinance, 1998.

NEW DELHI;	L. K. ADVANI.
The 16th May, 1998.	

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 11 of the Bill empowers the Central Government to make rules to carry out the provisions of this Bill.

- 2. Clause 12 of the Bill empowers the State Government to make rules and in particular to make rules to prescribe time limit to claim the prize money and to prescribe the period of the day to conduct the draws of all kinds of lotteries.
- 3. The matters in respect of which rules may be made are matters of procedure and administrative detail. The delegation of legislative power is, therefore, of a normal character.

S. GOPALAN, Secretary-General.